Index of references for integration of Circ Anal with GPKE

Schumpeter HEA 280 n 6 Keynes GT's relevance limited to short run correlation of utilization of industrial apparatus (as given) with changing employment of labor

GPKE

6-8 Marshall combined Ricardian trad w marginal analysis

replaced Walrasian timeless analysis w short & long run partial analysis: resultant bifurcation of UK and continental Econ

complementarity of Keynes and Kalecki: Ke Hist time; Ka distrib

Kalecki main influence on further work at Cambridge

Keynes main influence in UK on Schackle, in US on Sydney Wintraub, Paul Davidson, Hyman Minsky

in US Alvin Hansen and Lawrence Klein closer to Kalecki's simple mathematical model than to Keynes, even though distribution effects in Kalecki tend to be ignored

8 First step to post-Keynesian: Harrod sought equation of motion from t_1 to t_2; vs. Walrasian equilibrium disturbed to equilibrium recovered

Harrod-Domar formula: HEA 966 n 8. Growth equals function of propensity to save and of dK/dQ.

9 Distinctive post-Keynesian literature ushered in by Joan Robinson and Nicholas Kaldor

Paul Samuelson grafted Keynes short term on Walrasian long term; distinction of Marshallian and Walrasian lost.

11-16 Five contrasts of PK and NC: separate report

19 Keynes concentrated on investment and multiplier effects: multiplier increases demand; investment increases capacity

For Harrod the problem was: can the two effects match so that demand is equal to full capacity and full employment

BL: thrift and enterprise effect match in prior part of surplus expansion; different motto needed for latter part and basic expansion

Circ Anal yields both trend and cycle on alternative hypotheses of adequate and inadequate mottoes.

22-24 NC change in orientation of macrodynamics: separate report

44 Keynes (1936): expected greater initiative of state in organizing investment

Index to references derived from GPKE index to Keynes

165f Current policy is based on the same conceptual framework that
(a) was formulated to demonstrate the self-correcting market
(b) Keynes in his day had to overcome
(c) Keynes is identified with "neoclassical synthesis" of Paul Samuelson which combines a Keynes without his departures from Walras to Marshall with W's general equilibrium
(d) this is still regarded as an essentially correct analysis of the functioning of a modern technologically advanced economy based on market institutions

167 While PK is not completely worked out, it offers the prospect of uninhibted inquiry without any promise of quick and simple solutions. Its first contribution will be to liberate economics from the dead weight of neoclassical thought, and that liberation should be comparable to the overthrow of geocentric theory and of the ether theory

168 The advantage of PK is that it makes possible a direct and open confrontation with problems instead of leaving them concealed by mistaken assumptions

169 Walrasian development is confined to the substitutions made possible by changes in relative prices. It usually eliminates by assumption the possiblity that demand may increase across the board in virtue of the higher income and level of demand that comes of economic growth (a secular fact).

170 Keynes first called attention to the fact that a decline in wages, so far increasing employment, is a signal that sepresses business. For KEynes and his followers the princiapl operative factors (not any change in relative prices) of development are the level and composition of investment together with the income effects that derive from that investment

Econometric studies have led to the same conclusion, which out of deference to NC orthodoxy has not shouted from the house tops

When the scope of analysis is restricted to substitution effects, there is always some equilibrium position to which the economy will tend; the equations will make it deducible. But when income effects are fully allowed for, as PK demands, there need not be any new equilibrium position. PK operates in historical time in which the future is uncertain.